

Wales Pension Partnership (WPP) - JGC Update

JGC meeting date: Wednesday 13 March 2024

Location: Hybrid meeting, hosted by Powys

Chair: Cllr Ted Palmer, Clwyd

Vice Chair: Cllr Elwyn Williams, Dyfed

Agenda item	Detail
Host Authority update	<p>Anthony Parnell of the Host Authority provided an update in relation to work that has been completed since the last JGC meeting and WPP's next steps / priorities.</p> <p>The procurement exercise for the Real Estate managers is on track. The ITT was issued 19 January 2024, responses have been received and are currently being evaluated. The recommendation report is due to go to the July 2024 JGC for approval, with the contract being awarded in August 2024.</p> <p>Anthony also presented the 2023/24 Business Plan update as at 31 December 2023 (attached).</p>
WPP Training Plan 2024/25	<p>Anthony Parnell of the Host Authority presented the 2024/25 WPP Training Plan. This training plan is devised to supplement existing Constituent Authority training and will be relevant to the WPP's pooling activities.</p> <p>The 2024/25 training sessions will be held quarterly and will cover the following topics:</p> <ul style="list-style-type: none">• Product Knowledge and Cyber Security• Policies• Responsible Investment• Market Understanding & Regulatory Requirements <p>The JGC approved the 2024/25 Training Plan (attached)</p>

<p>WPP Business Plan 2024-2027</p>	<p>A WPP business plan has been drafted in line with Section 6 of the Inter Authority Agreement. The purpose of the business plan is to:</p> <ul style="list-style-type: none"> • Explain the background and governance structure of the WPP • Outline the priorities and objectives of the WPP over the next three years • Introduce the WPP's policies and plans • Outline the financial budget for the relevant Business Plan period • Summarise the WPP's Investments & Performance Objectives <p>Anthony Parnell of the Host Authority presented the 2024-27 WPP Business Plan (attached) which was approved by the JGC. The Business Plan has now been sent to all eight Constituent Authorities for their written approval.</p>
<p>Risk Register Q1 2024 Review</p>	<p>The OWG is responsible for maintaining the WPP Risk Register and reporting back any changes or developments to the JGC on a quarterly basis. The OWG has a dedicated Risk Sub-Group to take ownership of the Risk Register and the quarterly review of the document.</p> <p>During Q1 2024, a review was undertaken of some of the risks within the Governance and Regulation section of the Risk Register, risks G1 to G7 and also risks G12 and G15.</p> <p>Hymans presented the changes which were approved by the JGC. The Risk Register has been uploaded on the WPP website.</p>
<p>Policy Reviews:</p> <ul style="list-style-type: none"> • Governance Matrix • Communications Policy 	<p>The WPP have approved several policies / plans which are to be reviewed on a regular basis. This quarter, the OWG have undertaken a review of the Governance Matrix and Communications Policy.</p> <p>The Governance matrix provides an overview of WPP's governance structure, outlining key decisions and actions that are carried out by the WPP. Following</p>

	<p>this year's review, no changes have been made to the Governance Matrix.</p> <p>The Communications policy sets out how the WPP will carry out its internal and external communication strategies. During this year's review, the policy has been updated to reflect WPP's commitment to Sustainable and Local Investment, and the Future Generations Act 2015.</p> <p>The updated Communications policy was approved and has been uploaded on the WPP website.</p> <p>There were no new policies this quarter.</p>
Operator Update	Waystone presented their quarterly update report as at 31 December 2023 (attached). This report provides market updates, details of WPP's current sub fund holdings, as well as a corporate and engagement update.
Performance Reports as at 31 December 2023	Russell Investments presented a Q4 2023 performance summary paper (attached) summarising the performance of each individual ACS sub fund for the quarter ending 31 December 2023.
Private Markets update – Infrastructure	GCM Grosvenor were appointed WPP's Infrastructure Allocator in March 2022. GCM Grosvenor provided a progress update on both the closed-ended and open-ended Investment programmes (attached).
Exempt Items – the following items were discussed during the non-public part of the meeting.	
Robeco Engagement Report – Q4 2023	In March 2020, Robeco was appointed as WPP's Voting & Engagement Provider to undertake Voting and Engagement functions on behalf of the WPP. Robeco commenced their engagement service in April 2020, and they have provided an engagement report for Quarter 4 2023 (quarter ending 31 December 2023). The engagement theme chosen for this quarter was Responsible Executive Remuneration.

Responsible Investment and Climate Risk reports	<p>Each quarter, Hymans Robertson produce quarterly Responsible Investment & Climate Risk Reports for WPP's sub funds.</p> <p>For Quarter 4 2023 (quarter ending 31 December 2023), the UK Credit, Global Credit and Global Government Bond reports were produced.</p> <p>Hymans presented the reports to the JGC members.</p>
Operator procurement recommendation report	<p>The current Operator contract with Waystone Management (UK) Ltd comes to an end in December 2024. An open tender process has been undertaken and the evaluation process is now complete. Having completed the evaluation process, a preferred bidder recommendation report was presented to the JGC.</p> <p>The recommended bidder was approved by the JGC, and the report has now been sent to all eight Constituent Authorities for their written approval.</p>
Securities Lending Report as at 31 December 2023	<p>Stock Lending commenced in March 2020 and Northern Trust presented the Securities Lending Report for Q4 2023 (quarter ending 31 December 2023).</p>

Webcast link for the 13 March 2024 JGC meeting below:

[Wales Pension Partnership - Wednesday 13 March 2024, 2:00pm - Powys County Council Connect \(public-i.tv\)](#)

WPP's website address - [Wales Pension Fund | Home \(walespensionpartnership.org\)](http://walespensionpartnership.org)

Next meeting:

- Wednesday 17 July 2024 – Virtual meeting